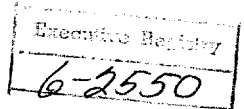


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Proj misc - 61

Projects Review Committee

OCT 21 1954

Comptroller

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25X1A6a

Expansion of Facilities [REDACTED]

- REF : (a) Project Outline of subject proposal
- (b) Memorandum and supporting data dated 8 October 1954 to the Assistant Director for Communications from the Acting Chief of Logistics recommending consideration for a change in air-conditioning specifications of the subject proposal at an increased cost of \$82,000

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1. The subject proposal requests approval of \$47,782 for construction to provide additional working space for [REDACTED] at [REDACTED] by the erection of a second-story over the west wing of the existing receiver building at the [REDACTED] radio station.

2. The additional space is deemed necessary for easing the present crowded conditions, to permit the installation of additional equipment and to provide working space and facilities for the additional personnel that will be utilized at this location to furnish the additional services that CIA has agreed to provide to the National Security Agency.

3. The FY 1955 unvouchered budget of the Office of Communications contains a provision of \$50,000 for the subject proposal. An estimated breakdown of the proposed construction costs follows:

a. Removal of existing roofing material. . .	\$ 972
b. First floor alterations including stairway (reinforced concrete).	1,178
c. Construction of concrete columns, exterior walls, roof slabs.	10,712
d. Terrazzo tile floors.	1,380
e. Concrete and asphalt roof	2,415
f. Interior walls, insulation, doors, windows, and plastering	8,643

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g. Plumbing, heating, and fixtures	\$ 2,827
h. Painting.	1,378
i. Electrical work	4,277
j. Air-conditioning.	6,000
k. Contingency reserve	8,000
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Estimated total	\$ 47,782
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4. Reference (b) contains recommendations by the Acting Chief of Logistics, that consideration be given to extend the construction requested in the subject proposal by providing for the installation of a central air-conditioning system to replace the present individual unit air-conditioning system. Air-conditioning would thus be provided centrally to the proposed new story over the west wing as well as to the other operating and process areas, but would exclude the kitchen and dining room, storage rooms, toilet rooms, stairways and end corridors, etc.

5. The estimated cost of the central air-conditioning is \$88,000, an increase of \$82,000 over the \$6,000 amount estimated for air-conditioning in the proposed new construction. The central system is being justified on the grounds of greater efficiency and lower operating costs. A breakdown of the cost of the central system follows:

a. Refrigeration and air handling equipment, cooling tower and ductwork, etc.	\$ 60,000
b. Insulation and electrical work	16,000
c. Building construction (machine room, furring ceilings, etc.)	12,000
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Total	\$ 88,000
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6. Costs of the subject proposal as submitted, compared with the costs which include funds for a central air-conditioning system follows:

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	<u>Original Proposal</u>	<u>Proposed Revised Specifications</u>	<u>Difference</u>
Construction, etc. . .	\$ 41,782	\$ 41,782	-
Air-conditioning . . .	6,000	88,000	+ \$82,000
Total.	\$ 47,782	\$ 129,782	+ \$82,000

7. It should be noted that funds have been specifically provided in the FY 1955 budget only to cover costs of the subject proposal as submitted by the Office of Communications. The latter has indicated to us that the additional cost of \$82,000 of a central air-conditioning system cannot be absorbed within their current funds allowance.

8. The original proposal can be financed within our present budget but if the central air-conditioning system is approved, it will be necessary to provide the funds required for the additional costs from a source outside the Office of Communications' Budget. It is doubtful whether the central system should be approved since the present building is equipped with air-conditioning units and since provision for this item was not specifically included in the budget for the fiscal year 1955 and has not been cleared, on a policy basis, with the Bureau of the Budget. As a matter of policy a request for a release from the Reserve for Contingencies would be questionable and is not recommended. If approved, it is recommended that payment be made through established procedures on a vouchered basis.

FOIAb3b


 E. R. SAUNDERS

HC: jas

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